Appendix II.

(Vide item VI on page 589 supra.)

L.C. BILL No. 5 OF 1956.

(As passed by the Council.)

A Bill to provide for the regulation of the production, supply and distribution of silkworm seed in the State of Madras.

Whereas it is expedient to provide for the regulation of the production, supply and distribution of silkworm seed in the State of Madras.

Be it enacted in the Seventh Year of the Republic of India as follows :—

1. *Short title, extent and commencement.*—(1) This Act may be called the Madras Silkworm Seed (Production, Supply and Distribution) Act, 1956.

(2) It extends to the whole of the State of Madras.

(3) It shall come into force on such date as the Government may, by notification, appoint.

2. *Definitions.*—(1) In this Act, unless the context otherwise requires—

(*a*) "cocoon" includes cocoon produced by mulberry silkworms, tussar silkworms, muga silkworms and eri silkworms, either green or stifled, live or pierced, dried or in any other state or condition;

(*b*) "Director" means the Director of Industries and Commerce, Madras;

(*c*) "Government" means the State Government :

(*d*) "licensed buyer" means a person in charge of a charka establishment or a filature establishment licensed under this Act to purchase silkworm cocoons for reeling silk.

Explanation.—In this clause "charka establishment" means an establishment where silk is reeled from silkworm cocoons with the help of any indigenous contrivance utilizing manual labour for turning the reels and direct fire for heating the water for cooking and reeling cocoons; and "filature establishment" means an establishment where silk is reeled from silkworm cocoons by utilizing power for turning the reels and steam for cooking and reeling cocoons;

(*e*) "rearer" means a person engaged in rearing silkworms for the production of silkworm cocoons, whether for reproduction or reeling;

29th September 1956]

(*f*) "rearing" includes all operations from the incubation of silkworm eggs and brushing of silkworms to the harvesting of cocoons;

(*g*) "silkworm" includes mulberry silkworms, tussar silkworms, muga silkworms and eri silkworms;

(*h*) "silkworm seed" means silkworm cocoons, moths, eggs or young silkworms of whatever description intended to be used for the purposes of reproduction or rearing.

(2) If any question arises whether—

(*a*) any contrivance is a charka or not; or

(*b*) any crop is a cocoon crop or not; or

(*c*) any establishment is a filature or not,

the question shall be decided by the officer-in-charge of the Sericultural Section of the Department of Industries and Commerce, Madras, and his decision thereon shall be final.

3. *Regulation of manufacture, etc., of silkworm seed.*—No person shall manufacture, store, transport, sell or otherwise distribute silkworm seed except under and in accordance with the terms and conditions of a licence issued under this Act.

4. *Regulation of rearing.*—No person shall rear silkworms except under and in accordance with the terms and conditions of a licence issued under this Act, or from silkworm seed other than silkworm seed obtained from a person who holds a licence issued under this Act.

5. *Regulation of disposal of silkworm cocoons.*—No rearer shall dispose of, or agree to dispose of, or in pursuance of an agreement entered into make delivery of, any silkworm cocoons for reeling except to a licensed buyer.

6. *Regulation of sale or purchase of silkworm cocoons for reeling.*—No rearer shall sell or agree to sell, and no licensed buyer shall purchase or agree to purchase silkworm cocoons for reeling, except in cocoon markets or cocoon market yards established under this Act, and at prices other than those fixed from time to time by notification by the Director.

7. *Regulation of reeling.*—No person shall carry on the business of reeling silk from silkworm cocoons unless he holds a licence issued under this Act.

8. *Regulation of possession of silkworm seed.*—The prescribed officer may authorize any person in writing to possess silkworm seed.

9. *Application for licence.*—Every application for the issue of a licence under this Act shall be made to such authority and in such form as may be prescribed.

[29th September 1956

10. *Constitution and powers of market committee.*—(1) The Government may, by notification, establish a market committee, with jurisdiction over such area as may be specified in the notification.

(2) The market committee shall consist of a Chairman, who shall be appointed by the Government and four members elected by the following electorates as specified below :—

(*a*) Silkworm rearers	... ...	2
(*b*) Charka reelers	... ...	1
(*c*) Filatures	... ...	1

(3) The powers, duties and functions of the market committee shall be such as may be prescribed.

11. *Regulation and distribution of silkworm seed.*—(1) The Government may, from time to time, by notification—

(*a*) specify the places at which cocoon markets or cocoon market yards shall be located;

(*b*) fix the basic price at which standard quality cocoons for reeling may be sold or bought;

(*c*) specify a sliding scale of prices for variations from the standard quality calculated on the basic price;

(*d*) specify the sericultural areas in the State, to be served by each cocoon market where silkworm cocoons produced within such areas shall be sold;

(*e*) assign zones and markets in which any licensed buyer may carry on his business.

(2) After taking into consideration the quantity of silkworm cocoons available in the State and the scale of operations and consumption of silkworm cocoons by each licensed buyer, the Government may from time to time by order determine the quota of silkworm cocoons to be sold to licensed buyers.

12. *Power to obtain information.*—Any officer authorized in this behalf by the Director may, with a view to ascertaining whether the provisions of this Act and the rules, orders and notifications made thereunder are complied with, by order, require any person to furnish any information in his possession and specified in the order.

13. *Power of entry and seizure.*—(1) The Director or any officer authorized in this behalf by the Director may, for the purpose of satisfying himself that the provisions of this Act and the rules, orders and notifications made thereunder are complied with, at any time during business hours, enter and inspect any premises, godown, land or place used for rearing silkworms or

29th September 1956]

for storing cocoons or silk; and every owner, occupier or person in-charge of such premises, godown, land or place shall give every reasonable assistance to the Director or the officer in connexion with such entry and inspection.

(2) The Director or the officer referred to in sub-section (1) may, if he is satisfied that any silkworms, cocoons or silk are reared or stored in any premises, godown, land or place referred to in that sub-section in contravention of the provisions of this Act or the rules, orders or notifications made thereunder, seize such silkworms, cocoons or silk.

14. *Penalties.*—Any person who contravenes or fails to comply with all or any of the provisions contained in this Act or any rule, order or notification made thereunder or any of the conditions of a licence issued or renewed under this Act or the rules made thereunder shall be punishable with fine which may extend to five hundred rupees: and any Court trying any such contravention or failure may direct that any silkworm seed or any vessel, receptacle, apparatus, package or covering containing the same in respect of which Court is satisfied that such contravention or failure has occurred shall be forfeited to the Government.

15. *Composition of offences.*—(1) Any offence punishable under this Act may be compounded by the Director on payment of such amount as may be prescribed.

(2) On the composition of an offence under sub-section (1), the person concerned, if in custody, shall be set at liberty, and if proceedings in any criminal court have been instituted against such person in respect of the offence, the composition shall be deemed to amount to an acquittal and no further proceedings shall be taken against such person in respect of such offence.

16. *Trial of offences.*—(1) No Court inferior to that of a Presidency Magistrate or a Magistrate of the first class shall try any offence made punishable by this Act or any rule made thereunder.

(2) No prosecution under this Act or any rule made thereunder shall be instituted except on a complaint in writing made by the Director.

17. *Protection for acts done in good faith.*—No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of this Act or any rule, order or notification made thereunder.

18. *Officers to be deemed public servants.*—Every officer acting in pursuance of the provisions of this Act or any rule, order or notification made thereunder, shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (Central Act XLV of 1860).

19. *Power to make rules.*—(1) The Government may, by notification, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

(*a*) the form and manner in which and the authority to which applications for licences may be made;

(*b*) the terms and conditions which may be included in any licence and the fees for the grant of such licence;

(*c*) the grant of duplicate licences and the renewal of licences and fees for the same;

(*d*) the qualifications of rearers and other persons to whom licences may be issued under this Act;

(*e*) the duties and powers of officers authorized to enforce the provisions of this Act;

(*f*) the fee payable by a licensed buyer in respect of cocoons purchased by him in the cocoon market;

(*g*) the election, appointment and removal of members of market committees, the manner of election and the powers, duties and functions of such committees;

(*h*) the procedure to be followed by a market committee in respect of financial matters generally, including the manner in which, and the restrictions and conditions subject to which, expenditure may be incurred by it;

(*i*) appeal from any order under this Act, the authority to which such appeals shall lie, the time within which such appeals shall be made and the procedure for dealing with such appeals.

(*j*) generally regulating the procedure to be followed in proceedings under this Act;

(*k*) any matter expressly required or allowed by this Act to be prescribed.

(3) The power to make rules under this Act is subject to the condition of the rules being made after previous publication.

(4) All rules made under this Act shall be placed on the table of the Legislative Assembly as soon as possible after they are published and shall be subject to such modifications, whether by way of repeal or amendment, as the Assembly may make during the session in which they are so laid.

FORT ST. GEORGE, MADRAS-9,
26th September 1956.

C. D. NATARAJAN,
Secretary to the Council.

29th September 1956]

FINANCIAL MEMORANDUM.

There are four major cocoon markets run under State Funds at a cost of Rs. 17,800 per annum, and three junior markets subsidised by the Central Silk Board at a cost of Rs. 7,400 per annum, the total expenditure in respect of these markets being Rs. 25,200 per annum.

Under the proposed legislation which is intended for the regulation of buying and selling of silkworm cocoon crops it is proposed to establish ten major cocoon markets at important Sericultural tracts, integrating the existing seven markets which will also continue to function. The recurring expenditure in respect of the Market Staff, Supervising Staff (i.e., one Assistant Sericultural Expert), and the Ministerial staff, is expected to be to the tune of Rs. 40,000, Rs. 6,000 and Rs. 5,680 respectively. Fifty per cent of the expenditure on the supervising staff, i.e., Rs. 3.000 is proposed to be met from the State Funds. The net recurring expenditure debitable to the 'Market Fund' proposed to be constituted from out of the receipts, will therefore come to Rs. 48,680 per annum.

Besides the above, a non-recurring expenditure of Rs. 6,000 is also proposed to be incurred towards office equipment, purchase of furniture, etc., for the three additional cocoon markets, and the Ministerial staff.

The effective acreage for the calculation of harvest of cocoons has been taken as 15,000 in Kollegal taluk, and the minimum yield is estimated at 220 lb. of cocoon per acre per year.

On this basis, about 33 lakhs of lb. of cocoons are likely to be produced per year and a total receipt of Rs. one lakh per annum is expected under the proposed legislation.

The scheme is thus expected to leave a surplus after meeting the expenditure involved in it.

M. BHAKTAVATSALAM,
Minister for Agriculture.

MEMORANDUM FOR THE DELEGATION OF LEGISLATIVE POWER.

The Madras Silkworm Seed (*Production, Supply and Distribution*) *Bill*, 1956.

Clause 10.—Sub-clause (1) enables the State Government to establish by notification a Market Committee with jurisdiction over such area as may be specified in the notification. Sub-clause (3) enables the Government to prescribe by rules the powers, duties and functions of the Market Committee.

Clause 11.—Sub-clause (1) empowers the Government to specify the places at which cocoon market yards shall be located, to fix the basic price at which standard quality cocoon for reeling

may be sold or bought, etc., etc. Sub-clause (2) confers powers on the Government to determine the quota of silkworm cocoons to be sold to licensed buyers.

Clause 12.—This clause enables the Director of Industries and Commerce to authorize any officer to call for information for the purpose of ascertaining whether provisions of the Act or the rules, etc., made thereunder are complied with.

Clause 13.—Sub-clause (1) enables the Director of Industries and Commerce or any Officer athorized by him to enter and inspect any premises, godown, land or place used for rearing silkworms or for storing cocoons or silk for the purpose of satisfying himself that the provisions of the Act or the rules, etc., made thereunder are complied with. Sub-clause (2) authorizes the Director of Industries and Commerce or the Officer referred to in sub-clause (1) to seize silkworms, cocoons or silk if he is satisfied that any silkworms, cocoons or silk are reared or stored in any place referred to in the said sub-clause (1) in contravention of the provisions of the Act or rules, etc., made thereunder.

Clause 15.—Sub-clause (1) enables the Director of Industries and Commerce to compound any offence punishable under the Act on payment of such amount as may be prescribed by rules made in that behalf.

Clause 19.—Sub-clause (1) confers powers on the Government to make rules to carry out the purposes of the Act. Sub-clause (4) makes provision for the rules being placed on the table of the Legislative Assembly for its scrutiny.

The provisions specified above involve delegation of legislative power. But, the delegation is necessary to give effect to the purposes of the Act, namely, regulating the production, supply and distribution of silkworm seeds in this State. The delegation of legislative power is, therefore, normal in character.

M. BHAKTAVATSALAM,
Minister for Agriculture.

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